Drop in GDP

1676. SHRI PREM CHAND GUPTA: Will the Minister of FINANCE be pleasd to state:

(a) whether it is a fact that the GDP for the full year would drop by 1 per cent of the target of 7.1. per cent;

(b) whether Government have adopted a four point programme to reverse this trend; and

(c) if so, what is the present position in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) The target growth rate of gross domestic product (GDP) for the Ninth Plan (1997—2002) is 6.5 per cent per annum. The increase in real GDP growth was of the order 6.4 per cent in 1999-2000. for the current year (2000-2001) estimates of GDP are available for only the first quarter (April-June). As per the Quarterly Estimate of GDP released by the Central Statistical Organisation, overall real GDP growth is estimated at 5.8 per cent in the first quarter of 2000-2001 compared with a growth of 6.9 per cent in the same quarter of 1999-2000. The trends in the economy are closely monitored and under constant review and appropriate measures taken in the light of emerging trends as and when necessary. The various economic reform measures undertaken by the Government are expected to have a favourable impact on the economy.

Unutilised funds of World Bank.

1677. SHRIMATI ABMIKA SONI:
SHRI SURESH KALMADI:

Will the Minister of FINANCE be pleased to state:

(a) whether the President of the World Bank has advised Government to spend unutilised funds worth dollar 7.9 billion out of the dollar 12 billion already committed by the Bank;

(b) if so, the views of Government on the subject; and

(c) the details of the programmes and schemes which have not utilised these funds so far and the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHR BALASAHEB VIKHE PATIL): (a) and (b) The World Bank projects ar implemented over a period of 5 years and at any given point of time ther

would be undisbursed balance. However, there after some projects, which are not utilizing the funds effectively. during the discussions with President, World Bank, both the sides felt that implementation of such projects should be strengthened in order to improve disbursement.

(c) All the projects have been utilising the funds, but the reasons for some of the programmes/ schemes not utilising the funds satisfactorily are due to problems relating to project management, shortage of counterpart funds, procurement and natural calamities.

Utilization of Banks' savings in Rural Areas

†1678. SHRI KRIPAL PARMAR: will the Minister of FINANCE be pleased to state:

(a) whether there are such States whose credit-deposit ratio is less than the National Average;

(b) if so, the details thereof;

(c) whether these States have been expressing the complaint that nationalized banks take their resources to other parts of the country to give loan;

(d) if so, the action taken by Government in this regard; and

(e) what steps Government propose to take to pay special attention to rural areas to promote rural savings and to facilitate loans for viable economic activities only in rural areas?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) State-wise Credit Deposit (CD) Ratio of all scheduled commercial banks as on the last Friday of March 2000 is given in the Statement (*see* below). Except for the States of Andhra Pradesh, Karnataka, Maharashtra, National Capital Territory of Delhi and Tamil Nadu, the CD Ratio of all other states/UT is lower than the national average of 57.1 per cent.

(c) to (e). Concerns have been expressed for low level of CD ratio by the States. Banks have been taking steps for improving the flow of credit in the States where credit deposit ratio is low and the position in this regard is monitored in the State Level Banker's Committee (SLBC) meetings.

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†Original notice of the question was received in Hindi.